

MINUTES

MONTANA SENATE 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By **CHAIRMAN BOB DEPRATU**, on March 11, 2003 at 9 A.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Bob DePratu, Chairman (R)
Sen. Bob Story Jr., Vice Chairman (R)
Sen. Jerry W. Black (R)
Sen. John C. Bohlinger (R)
Sen. Jon Ellingson (D)
Sen. Jim Elliott (D)
Sen. Bill Glaser (R)
Sen. Dan Harrington (D)
Sen. Walter McNutt (R)
Sen. Mike Taylor (R)
Sen. Ken Toole (D)

Members Excused: None.

Members Absent: None.

Staff Present: Lee Heiman, Legislative Branch
Shirley Herrin, Committee Secretary

Video-taped Committee: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. A video-taped recording of the meeting is available from the Montana Historical Society.

Committee Business Summary:

Hearing & Date Posted: SB 461, 2/24/2003; SB 462,
2/24/2003; SB 371, 2/12/2003
Executive Action: None.

HEARING ON SB 461

Opening Statement by Sponsor:

9:01 **SEN. BOB STORY, SD 12, Park City** "Mitigate effects of cyclical reappraisal". **EXHIBIT(tas51a01)**

Proponents' Testimony:

9:16 **JUDY MARTZ, GOVERNOR OF MONTANA**
 9:20 **SEN. EMILY STONINGTON, SD 15, Bozeman**
 9:21 Kurt Alme, Director, Department of Revenue
 9:24 Gordon Morris, Director, MACo
 9:26 Mary Whittinghill, MT Taxpayers Assoc. She stated that Webb Brown, MT Chamber of Commerce would also like to go on record in support of SB 461.
 9:29 Nancy Schlepp, MT Farm Bureau
 9:30 Ernie Dutton, MT Assoc. of Realtors

Opponents' Testimony:

9:33 Dudley Mahler, Whitefish, Self **EXHIBIT(tas51a02)**
 9:41 Ronda Carpenter, MT County Treasurers Assoc. and Great Falls Chamber of Commerce
 9:48 Chris Christiaens, MT Landlords Assoc.

Questions from Committee Members and Responses:

9:52 Begin
 10:25 Ended
 33 min Time elapsed

Closing by Sponsor:

10:25 **SEN. STORY** closed on SB 461.
 10:31 **CHAIRMAN DEPRATU** called a short recess.

HEARING ON SB 462

Opening Statement by Sponsor:

10:44 **SEN. BOB DEPRATU, SD 40, Whitefish,** "Three year depreciation for renewable resources recovery and utilization equipment".

Proponents' Testimony:

10:49 **SEN. JIM ELLIOTT, SD 36, Trout Creek**
 10:50 Bob Kelly, Missoula, read statement from Dick King, Pres/CEO, Missoula Area Economic Development Corp.
 EXHIBIT(tas51a03)
 10:52 Ellen Engstedt, MT Wood Products Assoc.

10:53 Bud Clinch, Director, MT Dept of Natural Resources and Conservation
 10:55 Mary Whittinghill, MT Taxpayers Assoc.
 10:56 Don Allen, Western Environmental Trade Assoc. (WETA)
 10:58 Webb Brown, MT Chamber of Commerce
 10:58 **SEN. SHERM ANDERSON, SD 28, Deer Lodge**

Opponents' Testimony: None

Questions from Committee Members and Responses:

11:01 Begin
 11:17 **SEN. JON ELLINGSON** questioned the sponsor, **SEN. DEPRATU**. **SEN. DEPRATU** handed out proposed amendments **EXHIBIT (tas51a04)**.
 11:20 **SEN. BOB STORY** questioned Larry Finch, Research Office, Department of Revenue

Closing by Sponsor:

11:22 **SEN. DEPRATU** closed on SB 462.

HEARING ON SB 371

Opening Statement by Sponsor:

11:26 **SEN. EMILY STONINGTON, SD 15, Bozeman** "Revise taxation of capital gains". **EXHIBIT (tas51a05)**

Proponents' Testimony:

11:33 Mary Whittinghill, MT Taxpayers Assoc. She stated that Webb Brown, MT Chamber of Commerce would also like to go on record in support of SB 371.
 11:34 Barry "Spook" Stang, Exec. VP, MT Motor Carriers Assoc.
 11:36 Steve Turkiewicz, MT Auto Dealers Assoc.

Opponents' Testimony: None

Questions from Committee Members and Responses:

11:37 Begin
 11:38 Ended
 1 min Time elapsed.

Closing by Sponsor:

11:38 **SEN. STONINGTON** closed on SB 371.

11:42 **VICE CHAIRMAN BOB STORY** opened the hearing for Executive Action.

EXECUTIVE ACTION ON SB 260

11:43 **SEN. DEPRATU, sponsor,** handed out proposed amendments SB026003.alh **EXHIBIT(tas51a06)** and a summary of the proposed amendments **EXHIBIT(tas51a07)**. He explained the amendments in detail.

11:46 **Motion:** **SEN. BOHLINGER** moved that SB 260 DO PASS.
Motion: **SEN. DEPRATU** moved that SB 260 BE AMENDED.
Motion carried unanimously. **SEN. DEPRATU** passed out financial information on the amendment **EXHIBIT(tas51a08)**. **Substitute Motion/Vote:** **SEN. ELLIOTT** made a substitute motion that SB 260 BE TEMPORARILY POSTPONED. Substitute motion carried unanimously.

EXECUTIVE ACTION ON SB 467

11:50 **Motion:** **SEN. ELLIOTT** moved that SB 467 DO PASS.

Discussion:

11:52 Begin
 12:00 Ended
 8 min Time elapsed.

12:00 **Substitute Motion/Vote:** **SEN. ELLIOTT** made a substitute motion that SB 467 BE TEMPORARILY POSTPONED. Substitute motion carried unanimously.

EXECUTIVE ACTION ON SB 469

12:02 **Motion:** **SEN. ELLIOTT** moved that SB 469 DO PASS.
Motion: **SEN. ELLIOTT** moved that SB 469 BE AMENDED
 SB046902.alh **EXHIBIT(tas51a09)**

Discussion:

12:05 Begin
 12:06 Ended
 1 min Time elapsed.

12:06 **Vote:** Motion on the amendments carried unanimously.

12:07 **Motion:** SEN. ELLIOTT moved that SB 469 DO PASS AS
 AMENDED.

Discussion:

12:07 Begin

12:19 Ended

12 min Time elapsed.

12:20 **Substitute Motion/Vote:** SEN. ELLIOTT made a substitute
 motion that SB 469 BE TEMPORARILY POSTPONED. Substitute
 motion carried unanimously.

ADJOURNMENT

Adjournment: 12:21 A.M.

SEN. BOB DEPRATU, Chairman

SHIRLEY HERRIN, Secretary

BD/SH

EXHIBIT (tas51aad)